

Barbara Dennis 8665 West Flamingo Road, Suite #131-417, Las Vegas, NV 89147  
Bankruptcy #09-26164/Trustee Rick A. Yarnall Judge: Bruce A. Marshall

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To the Honorable Judge Bruce A. Marshall

SEP 25 1 55 PM '09

Reference Bankruptcy Case 09-26164  
Debtor: Barbara Dennis XXX-XX-1564

U.S. BANKRUPTCY COURT  
MARY A. SCHOTT, CLERK

Comes now, Barbara Dennis, with the payment plan for the residence at: 2101 Fullerton, McAllen, Texas 78504 Lender: ASC (America's Servicing Company) and the second mortgage is with Bank of America Mortgage.

**Background:**

This first loan is an adjustable rate loan with 4 payments each month to select from; however the payment is fixed for 5 years and then it adjusts to the current interest rate at that time. The loan amount includes principal, interest, taxes, and insurance. The second mortgage is fixed and at almost 12.78% interest. I do not have the payoff amount available on either loan. Payments for both the first and second is \$847.57/month and this includes PITI.

I contacted the ASC company and they were notified of my loss of job. The management company has it leased out on a Rent to Own as of September 15, 2009, and the tenants are interested in purchasing the home. They have signed a sales contract. This sale could have closed in August on the 31<sup>st</sup>, but ASC was too greedy with their last minute fees and caused the deal to fall apart. In an effort to complete the transaction, the management company moved the people in on a lease with option to buy and sales contract amended to show future dates.

The first payment was due on September 15, 2009 in the amount of \$847.57. This first month's payment goes to pay the leasing fee. The October payment goes to pay the water, power, landscaping, painting, carpet cleaning, and lock changes. The management company paid up front for these items and I agreed they would be reimbursed from the rents collected.

The lease is one year and expires on August 31, 2010, with an option to purchase the property at the appraised value at the time of purchase. This purchase price would cover both the first and second mortgages on the property because this market has not dropped in value as other markets have.

Included in the rental amount are the property management fees and a repair allowance.

For the past due payments and the current payments to be caught up, if the interest rate could be lowered to 2% for 12 months on both the first and second mortgages, this would make the past due balance and the current payments easy to catch up from the rental amounts.

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The management company makes the payments directly to the lender so they know they were made and no tenants get foreclosed on. They send me the payment information.

Lease dates: September 15, 2009 to August 31, 2010 with option to buy

Rental amount \$847.57 per month (tenants directly deposit into the bank of American into their account and mgmt company in turn send out the payments to be received on or before the due date with a copy to me as proof of the payment)

Expenses:

Management fee: 10% (85.00)

Landscaping (NONE) per month

HOA dues NONE

Repair allowance 5% (\$43.00)/month held on account for any repairs needed.

Total available for payments from rental is \$719.18 per month. This would almost cover the current payment, but not the past due payments. If the interest rate were reduced to 2% for 24 months on both the first and second mortgages, that would make the payment for both the first and second \$390 (P&I) (approximate amount of payment) and the balance of the rents could go to pay the past due payments. The payment would also need to include the taxes and insurance, which is not shown above.

Motion:

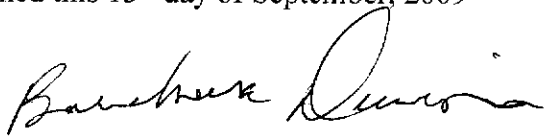
1. Remove/set aside all late fees, past due fees, and other charges.
2. Set aside all past due payments as a separate "loan" to be paid on each month with a separate payment so it can be monitored to insure all payments are posted correctly and not manipulated to pad the lenders pockets with excessive fees and administrative charges. A 2% interest on this past due payments loan is also requested.
3. Reduce the interest rate on the mortgage to 2% for 24 months and then thereafter to 5% for the remainder of the term for both first and second mortgages. Fixed rate since it will be due to adjust at that time.
4. Allow the management company in Texas to collect and pay the mortgage payments directly to the lender because it is impossible for the court to manage property out of state.
5. Let the first payment be November 1, 2009. (September payment is the leasing fee paid to the leasing agent) (October is to be used for costs incurred by property

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management company to get it ready to rent and during vacancy for water, power, alarm, landscaping, lock rekeys for new tenants. They understood my situation of no cash flow and were helpful with paying for these services for me so the grass would not die and the home was not in any danger due to no power.

6. Remove all derogatory credit reporting and update credit report to state paying as agreed because the past due payments are now being set aside and paid as a separate loan. Therefore, they are no longer past due.

Signed this 13<sup>th</sup> day of September, 2009

A handwritten signature in cursive script, appearing to read 'Barbara Dennis', written in dark ink.

Barbara Dennis

cc: FBN Financial Company DBA McAllen Property Services  
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Ste. #5 - 278  
Mission, Texas 78577  
Email: [FBNFinancial@gmail.com](mailto:FBNFinancial@gmail.com)